kotak Securities

Opportune

Exclusively curated opportunities to re-enter fundamentally strong companies at attractive valuations!

BUY – Krishna Institute of Medical Sciences Ltd (KIMS)

CMP: ₹**1495** (Upside Potential: 15.4%) as on 23rd Nov 2022

Fair Value (FV): ₹**1725** I Time Period: **12 months**

Why Invest?

- Growth drivers: Bolstering core presence with opportune new entries.
- Key growth initiatives such as ongoing bed expansion & turnaround in acquired assets on track.
- KIMS will generate a cumulative FCF of Rs560 cr over FY23-26E.
- KIMS guided that existing hospital EBITDA margins could be maintained at ~30%.
  (EBIDTA – Earnings Before Interest, Depreciation, Tax & Amortization)
- Endeavor is to bring all hospitals closer to ~30% in the next three years.
- On a solid footing; Solid execution at reasonable valuations.
- Roll forward to Sep24E; Revise FV to Rs1,725 (Rs1,590 earlier). Maintain BUY.

Maintain BUY with FV Rs 1725

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